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9 September 1967

MEMORANDUM FOR: TOD Committee Representatives

SUBJECT : Status Report on Development of TOD Call for
Data Submissions

1. The purpose of this memorandum is to transmit to the BOB and DOD representatives a third revision of the tables which are being developed to obtain data submissions from the individual entities that will be required to report information for the preparation of the TOD. This revision has two objectives: (1) it continues the process of simplifying and tightening up the formats of these tables; (2) it seeks to provide a convenient means of focusing on points which still require resolution at the DOD-BOB-DCI level.

2. In order to achieve the latter objective, this memorandum is intended to highlight these points of possible difference and thus to set the stage for further discussion and the resolution of these matters as promptly as possible. To assist you in comparing these tables with the latest prior revision, please note the following:

a. Tables A - D each carry a new statement regarding security, as follows: "This Table is classified SECRET when not filled in. Upon completion, assign appropriate higher classification if necessary." It is permissible to keep these tables at the SECRET classification (when not filled in with higher classification information) by reason of the changed wording in one of the titles under the 'Imagery' subcategory.

b. By repackaging the information now called for in Tables A and B, these two tables now present all of the data formerly encompassed in Tables 1, 2 and 3. The result is eliminating one document.

c. Tables C and D are revisions of former Tables 4 and 5. There has been no change made in the horizontal column headings across the top of these two tables (i.e. the subdivisions of Subject Targets and Military Targets).

d. All of the new tables A-D reflect two changes in the Intelligence Function Subcategories which are listed vertically:

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- (1) The distinction between Processing for Collection and Processing for Production has been restored.
- (2) The Production function has been subdivided along the lines originally proposed but thereafter tentatively deleted.

e. Table A calls for subdividing Total Resources among the appropriate Cost Categories, just as was called for in the superceded Table 2. The requirement for target-orienting Investment and Expense according to the Intelligence Function Categories and Subcategories has not been provided for in Tables A - D. This reflects a change from the prior draft of Table 1, which had indicated the target-orientation of the Intelligence Categories (and by implication, the necessity for target-orienting the Intelligence Subcategories on other tables.)

Matters to be Resolved

3. The Target-Orienting of the 'Investment' and 'Expense' Cost Categories?

a. This is probably the major issue still to be resolved among the TOD Principals. To contemplate the alternative not illustrated by the attached tables -- i.e., in which the cost categories are target-oriented -- it is only necessary to visualize each box now shown in Tables B, C and D as being divided further into three boxes (Investment, Expense, Subtotal). There appears to be no difference of opinion that there should be a subdivision by cost categories of the "Total Resources" of each reporting entity.

b. Pro: It is suggested that obtaining this detailed information would represent a start toward developing a more precise basis for making management judgments. Since 'Investment' decisions tend to foretell the size and character of future activities, requiring this kind of information related to Target Areas would provide clearer evidence to top management as to whether or not the rationales advanced by program operators and managers are persuasive in comparison with competing alternatives and limited funds.

c. Con: It is suggested that requiring this detail in the initial TOD exercise will overburden the reporting entities. Moreover, without requiring this data break-out and by merely comparing the total figure of Investment and Expense (which will be target-oriented for each of the Intelligence Function Subcategories) against the equivalent total Manpower and applying an average-man-cost formula it should be apparent whether the funds shown are or are not largely relatable to the cost of personnel; where this is not the case, it

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follows that an 'Investment' item which warrants further inquiry may have been identified. It is suggested, also, that a further inquiry be made as to the financial accounting implications of this proposal both in DOD and CIA -- to what extent would this be an increased burden on existing financial data-reporting systems? Finally, it is suggested that the entire TOD exercise is necessarily one of exploration and development, and that the refinement of cost-category-type data should await the experience of the almost-inevitable future modifications which TOD must make as a result of conducting the initial exercise.

4. The Applicability of Table C (Subject Targets) to All Target Areas?

a. It seems to be agreed that Table C should be completed for the USSR, Communist China and Cuba. It has not been settled as to whether Table C should be required for each of the other Target Areas.

b. Pro: It is suggested that the character of the target (political, economic, military, etc.) should be made known in order to consider properly the appropriateness of the size, character and timeliness of the intelligence effort made against it.

c. Con: It is a question of the scope of the initial TOD effort. The greatest part of total intelligence resources will be identified under the USSR and Communist China. Elaboration of the resources in other areas is a refinement which should await a subsequent TOD. Both DIA and CIA have advised that it would be a substantial additional burden to prepare Table C for all areas and would involve numerous prorations. It is suggested also that the differences among countries within a single Target Area are so great as to make a set of figures applicable to the area as a whole highly misleading as far as indicating the actual character of the intelligence efforts. It is suggested that the degree of detail called for by Table C should be sought for additional selected countries in future TOD exercises.

5. The Subdividing of the Processing Function between 'Processing for Collection' and Processing for Production'?

a. In the initial draft of the TOD Intelligence Functional Subcategories this subdivision of Processing was proposed. In later discussions it was tentatively eliminated and is not shown on the prior drafts of the TOD tables. The DCI representative now has been requested to suggest further consideration of this matter.

b. Pro: The separation of Processing as between its support of Collection and Production would considerably simplify the future work of analysis by the TOD Committee and others appropriately.

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charged with follow-on inquiries generated by the TOD. Processing for Production will be confined to those entities engaged in producing intelligence end products, namely those within the CIP and the CIAP.

c. Con: The proposed subdivision, it is suggested, could complicate the proration of resources by some entities where the same personnel and equipment support both Collection and Production.

6. The Subdividing of the Production Function according to the Types of End Products?

a. In the initial draft of the TOD Intelligence Functional Subcategories a three-way subdivision of Production -- according to type of end product -- was proposed. In later discussion this was tentatively eliminated and is not shown on the prior drafts of the TOD tables. The DCI representative now has been requested to suggest further consideration of this matter.

The proposed three subdivisions are:

- A. National Intelligence Estimates & Projections
- B. Current Intelligence Reports
- C. Other Intelligence Products & Materials

b. Pro: The Production function serves to turn out the end products of the entire intelligence effort. The value of these products provides one of the ultimate justifications for the resources sought for the intelligence community. The importance of the Production function is such that it warrants most careful examination by intelligence community managers, and this importance cannot be measured only by the total dollar cost of Production in comparison with the dollars allocated to other functions. One important managerial question relates to a proper relationship between the effort to produce Current Intelligence reports and the effort to carry on intelligence research. Implicit in the proposed break-out is the necessity to define the manner in which "intelligence research" is to be prorated and reported. Another reason for providing for subdivisions of the Production function is to have the reporting entities (rather than the TOD Committee in subsequent reviews) separate substantive intelligence production (such as the reports and studies emanating from DIA and CIA) from a variety of other "products" which fall within the purview of the intelligence community and which must be accounted for (such as some maps and charts and some technical reports which are indirectly rather than directly related to the core of substantive intelligence functions.)

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c. Con: It is suggested that the major current problems of the intelligence community are largely outside the area of Production, and that this is a relatively small dollar area. The meaningful proration of intelligence analyst efforts, while conducting research and build the data bases on which national and current intelligence reporting depend, may be difficult for DIA and CIA.

d. A further alternative could be to recognize the desirability of making subdivisions within the Production function, but to recommend a different break-out from that proposed above. For example, it would be possible to subdivide the Production function according to the subject of the data produced: Political, Economic, Military, Scientific, Geographic, etc., in contrast to the break-out between National, Current and Other. It is to be noted that such a subject break-out already appears in Table C for those countries where this table is to be utilized (including the USSR, Communist China and Cuba).

7. The DCI Representative for the TOD Committee will contact the DOD and BOB Representatives directly to arrange for further consideration of the foregoing matters. If the DOD or BOB Representatives believe that other major unresolved issues exist, it is requested that the DCI Representative be advised so that all of these matters may be taken up together

[Redacted Signature]

Chairman, TOD Committee

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